

ND JOB SERVICE PENSION FUND
INVESTMENT PERFORMANCE REPORT AS OF JANUARY 31, 2005

| | January-05 | | | | December-04 | | | | September-04 | | | | Current Fiscal YTD | Prior Year FY04 | 3 Years Ended 6/30/2004 | 5 Years Ended 6/30/2004 |
|---|-------------------|-------------------|--------------|---------------|-------------------|-------------------|--------------|-----------------|-------------------|-------------------|--------------|-----------------|--------------------|-----------------|-------------------------|-------------------------|
| | Market Value | Allocation Actual | Policy | Month Net ROR | Market Value | Allocation Actual | Policy | Quarter Net ROR | Market Value | Allocation Actual | Policy | Quarter Net ROR | Net ROR | Net ROR | Net | Net |
| LARGE CAP DOMESTIC EQUITY | | | | | | | | | | | | | | | | |
| <i>Structured Growth</i> | | | | | | | | | | | | | | | | |
| LA Capital | 3,350,286 | 4.2% | 4.5% | -3.45% | 3,522,329 | 4.6% | 4.5% | 10.52% | 3,223,617 | 4.4% | 4.5% | -4.17% | 2.26% | N/A | N/A | N/A |
| Total Structured Growth | 3,350,286 | 4.2% | 4.5% | -3.45% | 3,522,329 | 4.6% | 4.5% | 10.52% | 3,223,617 | 4.4% | 4.5% | -4.17% | 2.26% | 19.20% | -5.87% | -7.07% |
| Russell 1000 Growth | | | | -3.35% | | | | 9.17% | | | | -5.23% | 0.00% | 17.88% | -3.74% | -6.48% |
| <i>Structured Value</i> | | | | | | | | | | | | | | | | |
| LSV | 3,715,003 | 4.6% | 4.5% | -1.58% | 3,831,181 | 5.0% | 4.5% | 9.12% | 3,552,909 | 4.8% | 4.5% | 3.11% | 10.74% | 29.44% | 9.20% | 8.31% |
| Russell 1000 Value | | | | -1.78% | | | | 10.38% | | | | 1.54% | 10.09% | 21.13% | 2.96% | 0.64% |
| <i>Enhanced Russell 1000 Index</i> | | | | | | | | | | | | | | | | |
| LA Capital | 4,467,613 | 5.5% | 6.0% | -2.63% | 4,657,769 | 6.0% | 6.0% | 9.18% | 4,316,827 | 5.9% | 6.0% | -2.24% | 3.93% | 18.59% | -0.17% | N/A |
| Russell 1000 | | | | -2.52% | | | | 9.80% | | | | -1.81% | 5.09% | 19.48% | -0.32% | N/A |
| <i>Enhanced S&P 500 Index</i> | | | | | | | | | | | | | | | | |
| Northern Trust | 4,513,676 | 5.6% | 6.0% | -2.35% | 4,694,874 | 6.1% | 6.0% | 9.18% | 4,350,972 | 5.9% | 6.0% | -2.17% | 4.30% | 19.00% | -0.31% | N/A |
| Strong | - | 0.0% | 0.0% | N/A | - | 0.0% | 0.0% | N/A | 4 | 0.0% | 0.0% | N/A | N/A | 21.13% | -0.06% | N/A |
| Westridge | 4,502,070 | 5.6% | 6.0% | -2.40% | 4,682,496 | 6.1% | 6.0% | 9.50% | 4,334,631 | 5.9% | 6.0% | -1.94% | 4.80% | 19.30% | -0.36% | N/A |
| Total Enhanced S&P 500 Index | 9,015,746 | 11.2% | 12.0% | -2.38% | 9,377,370 | 12.1% | 12.0% | 9.34% | 8,685,606 | 11.8% | 12.0% | -2.13% | 4.47% | 19.81% | -0.24% | N/A |
| S&P 500 | | | | -2.44% | | | | 9.23% | | | | -1.87% | 4.58% | 19.11% | -0.69% | N/A |
| <i>S&P 500 Index</i> | | | | | | | | | | | | | | | | |
| State Street | 2,292,278 | 2.8% | 3.0% | -2.43% | 2,385,372 | 3.1% | 3.0% | 9.23% | 2,209,568 | 3.0% | 3.0% | -1.87% | 4.59% | 19.08% | -0.67% | -2.17% |
| S&P 500 | | | | -2.44% | | | | 9.23% | | | | -1.87% | 4.58% | 19.11% | -0.69% | -2.20% |
| TOTAL LARGE CAP DOMESTIC EQUITY | 22,840,926 | 28.3% | 30.0% | -2.46% | 23,774,021 | 30.8% | 30.0% | 9.44% | 21,988,528 | 30.0% | 30.0% | -1.59% | 5.05% | 20.38% | 0.08% | -2.14% |
| S&P 500 | | | | -2.44% | | | | 9.23% | | | | -1.87% | 4.58% | 19.11% | -0.69% | -2.20% |
| SMALL CAP DOMESTIC EQUITY | | | | | | | | | | | | | | | | |
| <i>Manager-of-Managers</i> | | | | | | | | | | | | | | | | |
| SEI | 3,764,531 | 4.7% | 5.0% | -4.41% | 4,140,291 | 5.4% | 5.0% | 14.79% | 3,668,900 | 5.0% | 5.0% | -3.59% | 5.79% | 33.33% | 5.76% | N/A |
| Russell 2000 + 200bp | | | | -4.01% | | | | 14.64% | | | | -2.36% | 7.45% | 35.99% | 8.43% | N/A |
| TOTAL SMALL CAP DOMESTIC EQUITY | 3,764,531 | 4.7% | 5.0% | -4.41% | 4,140,291 | 5.4% | 5.0% | 14.79% | 3,668,900 | 5.0% | 5.0% | -3.59% | 5.79% | 33.33% | 5.76% | 6.81% |
| Russell 2000 | | | | -4.17% | | | | 14.09% | | | | -2.86% | 6.21% | 33.36% | 6.24% | 6.63% |
| INTERNATIONAL EQUITY | | | | | | | | | | | | | | | | |
| <i>Large Cap - Core</i> | | | | | | | | | | | | | | | | |
| State Street | 396,553 | 0.5% | 0.5% | -1.85% | 425,083 | 0.6% | 0.5% | 10.22% | 734,092 | 1.0% | 1.0% | -1.24% | 6.84% | 27.44% | 0.42% | -1.44% |
| MSCI EAFE (1) | | | | -1.83% | | | | 11.69% | | | | -0.72% | 8.85% | 26.98% | -1.27% | -1.15% |
| <i>Large Cap - Active</i> | | | | | | | | | | | | | | | | |
| Capital Guardian | 1,144,377 | 1.4% | 1.5% | -0.86% | 1,215,813 | 1.6% | 1.5% | 10.34% | 1,766,055 | 2.4% | 2.5% | -1.48% | 7.78% | 25.40% | -1.15% | 1.54% |
| LSV | 1,104,412 | 1.4% | 1.5% | 0.48% | 1,156,159 | 1.5% | 1.5% | | - | 0.0% | 0.0% | N/A | N/A | N/A | N/A | N/A |
| Transition Account | 215 | 0.0% | 0.0% | N/A | (154) | 0.0% | 0.0% | | - | 0.0% | 0.0% | N/A | N/A | N/A | N/A | N/A |
| Bank of Ireland | 385,395 | 0.5% | 0.5% | -3.42% | 419,716 | 0.5% | 0.5% | 16.02% | 360,798 | 0.5% | 0.5% | -1.07% | 10.85% | 23.61% | N/A | N/A |
| Total Large Cap - Active | 2,634,399 | 3.3% | 3.5% | -0.69% | 2,791,534 | 3.6% | 3.5% | 11.63% | 2,126,853 | 2.9% | 3.0% | -1.41% | 9.30% | 25.11% | -0.79% | 1.76% |
| MSCI EAFE - 50% Hedged | | | | -0.52% | | | | 11.11% | | | | -0.72% | 9.74% | 26.98% | -1.27% | -1.15% |
| <i>Small Cap - Active</i> | | | | | | | | | | | | | | | | |
| Lazard | 393,000 | 0.5% | 0.5% | 0.86% | 409,812 | 0.5% | 0.5% | 16.15% | 385,748 | 0.5% | 0.5% | 0.76% | 18.03% | 44.40% | N/A | N/A |
| Wellington | 394,630 | 0.5% | 0.5% | 3.45% | 401,190 | 0.5% | 0.5% | 13.12% | 353,856 | 0.5% | 0.5% | -4.63% | 11.61% | 42.26% | N/A | N/A |
| Total Small Cap - Active | 787,630 | 1.0% | 1.0% | 2.14% | 811,002 | 1.1% | 1.0% | 14.63% | 739,604 | 1.0% | 1.0% | -1.92% | 14.83% | 43.25% | N/A | N/A |
| Citigroup Broad Market Index < \$2BN | | | | 2.20% | | | | 16.82% | | | | -0.82% | 18.41% | 47.95% | N/A | N/A |
| TOTAL INTERNATIONAL EQUITY | 3,818,582 | 4.7% | 5.0% | -0.24% | 4,027,619 | 5.2% | 5.0% | 11.66% | 3,600,550 | 4.9% | 5.0% | -1.47% | 9.75% | 29.19% | 2.00% | 1.63% |
| MSCI EAFE - 50% Hedged | | | | -0.52% | | | | 11.11% | | | | -0.72% | 9.74% | 26.98% | -1.27% | -1.15% |
| DOMESTIC FIXED INCOME | | | | | | | | | | | | | | | | |
| <i>Core Bond</i> | | | | | | | | | | | | | | | | |
| Western Asset | 4,341,735 | 5.4% | 4.3% | 0.28% | 4,333,810 | 5.6% | 5.5% | 1.25% | 4,281,394 | 5.8% | 5.4% | 3.67% | 5.26% | 2.02% | 8.00% | 8.39% |
| Lehman Aggregate | | | | 0.63% | | | | 0.96% | | | | 3.20% | 4.84% | 0.32% | 6.35% | 6.95% |
| <i>Active Duration</i> | | | | | | | | | | | | | | | | |
| WestAM (Criterion) | 4,288,316 | 5.3% | 4.3% | 0.49% | 4,274,053 | 5.5% | 5.5% | 1.06% | 4,230,398 | 5.8% | 5.4% | 2.75% | 4.34% | -0.25% | 5.14% | 6.43% |
| Lehman Aggregate | | | | 0.63% | | | | 0.96% | | | | 3.20% | 4.84% | 0.32% | 6.35% | 6.95% |
| <i>Index</i> | | | | | | | | | | | | | | | | |
| Bank of ND | 7,555,720 | 9.4% | 11.7% | 0.71% | 7,219,660 | 9.4% | 11.6% | 0.70% | 7,148,288 | 9.7% | 11.5% | 3.46% | 4.91% | -1.03% | 6.88% | 7.04% |
| Bank of ND Match Loan CD Program | 1,659,248 | 2.1% | 2.1% | 0.43% | 1,686,196 | 2.2% | 2.2% | 1.26% | 1,677,546 | 2.3% | 2.3% | 1.21% | 2.92% | 5.08% | 5.57% | 5.70% |
| Total Index | 9,214,968 | 11.4% | 13.8% | 0.62% | 8,905,856 | 11.5% | 13.8% | 0.87% | 8,825,834 | 12.0% | 13.8% | 3.05% | 4.59% | 0.23% | 6.79% | 6.83% |
| Lehman Gov/Credit | | | | 0.69% | | | | 0.80% | | | | 3.56% | 5.11% | -0.72% | 6.73% | 7.10% |
| <i>Convertibles</i> | | | | | | | | | | | | | | | | |
| TCW | 4,392,538 | 5.4% | 4.3% | -1.98% | 4,510,999 | 5.8% | 5.5% | 8.54% | 4,158,021 | 5.7% | 5.4% | -3.94% | 2.20% | 16.74% | 0.51% | 3.89% |
| Merrill Lynch All Convertibles | | | | -2.29% | | | | 5.37% | | | | -1.05% | 1.87% | 14.44% | 4.95% | 5.78% |

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| | January-05 | | | | December-04 | | | | September-04 | | | | Current Fiscal YTD | Prior Year FY04 | 3 Years Ended 6/30/2004 | 5 Years Ended 6/30/2004 |
|--|-------------------|----------------------|---------------|------------------|-------------------|----------------------|---------------|--------------------|-------------------|----------------------|---------------|--------------------|-----------------------|--------------------|-------------------------------|-------------------------------|
| | Market Value | Allocation Actual | Policy | Month Net ROR | Market Value | Allocation Actual | Policy | Quarter Net ROR | Market Value | Allocation Actual | Policy | Quarter Net ROR | Net ROR | Net ROR | Net | Net |
| BBB Average Quality | | | | | | | | | | | | | | | | |
| Wells Capital (formerly Strong) | 4,390,197 | 5.4% | 4.3% | 1.43% | 4,354,904 | 5.6% | 5.5% | 3.94% | 4,181,949 | 5.7% | 5.4% | 4.62% | 10.29% | 1.29% | 6.26% | 7.23% |
| <i>Lehman BBB</i> | | | | 1.56% | | | | 1.69% | | | | 4.76% | 8.20% | 1.23% | 8.23% | 6.60% |
| Timberland | | | | | | | | | | | | | | | | |
| RMK | 5,330,413 | 6.6% | 6.6% | -0.07% | 5,338,089 | 6.9% | 6.9% | 8.02% | 4,987,300 | 6.8% | 6.8% | 3.86% | 12.10% | 10.46% | N/A | N/A |
| TIR | 14,089,686 | 17.5% | 17.5% | 48.02% | 9,532,783 | 12.3% | 12.3% | 0.43% | 9,524,181 | 13.0% | 13.0% | N/A | N/A | N/A | N/A | N/A |
| Total Timberland | 19,420,099 | 24.1% | 24.1% | 30.75% | 14,870,872 | 19.3% | 19.3% | 3.04% | 14,511,481 | 19.8% | 19.8% | 3.86% | 39.93% | 10.46% | N/A | N/A |
| | | | | | | | | | | | | | | | N/A | N/A |
| TOTAL DOMESTIC FIXED INCOME | 46,047,853 | 57.1% | 55.0% | 10.88% | 41,250,494 | 53.4% | 55.0% | 2.69% | 40,189,077 | 54.8% | 55.0% | 2.69% | 16.93% | 5.08% | 6.35% | 7.34% |
| <i>Lehman Aggregate</i> | | | | 0.63% | | | | 0.96% | | | | 3.20% | 4.84% | 0.32% | 6.35% | 6.95% |
| INTERNATIONAL FIXED INCOME | | | | | | | | | | | | | | | | |
| International Sovereign | | | | | | | | | | | | | | | | |
| UBS Global (Brinson) | 1,881,342 | 2.3% | 2.5% | -1.96% | 1,969,442 | 2.6% | 2.5% | 10.41% | 1,843,149 | 2.5% | 2.5% | 3.06% | 11.56% | 7.86% | N/A | N/A |
| <i>Citigroup Non-US Gov't Bond Index (2)</i> | | | | -1.92% | | | | 10.63% | | | | 3.29% | 12.08% | 7.59% | N/A | N/A |
| International Core | | | | | | | | | | | | | | | | |
| Brandywine | 1,865,722 | 2.3% | 2.5% | -2.35% | 1,970,753 | 2.6% | 2.5% | 9.22% | 1,897,514 | 2.6% | 2.5% | 4.74% | 11.70% | 9.65% | N/A | N/A |
| <i>Lehman Global Aggregate (ex-US)</i> | | | | -2.07% | | | | 10.66% | | | | 3.49% | 12.15% | 5.20% | N/A | N/A |
| TOTAL INTERNATIONAL FIXED INCOME | 3,747,064 | 4.6% | 5.0% | -2.16% | 3,940,195 | 5.1% | 5.0% | 9.81% | 3,740,664 | 5.1% | 5.0% | 3.90% | 11.63% | 8.78% | N/A | N/A |
| <i>Citigroup Non-US Gov't Bond Index (2)</i> | | | | -1.92% | | | | 10.63% | | | | 3.29% | 12.08% | 7.59% | N/A | N/A |
| CASH EQUIVALENTS | | | | | | | | | | | | | | | | |
| Northern Trust STIF/STEP | 477,335 | 0.6% | 0.0% | 0.20% | 58,750 | 0.1% | 0.0% | 0.45% | 144,888 | 0.2% | 0.0% | 0.44% | 1.09% | 1.44% | 1.86% | 3.48% |
| <i>90 Day T-Bill</i> | | | | 0.17% | | | | 0.48% | | | | 0.37% | 1.02% | 0.98% | 1.71% | 3.29% |
| TOTAL FUND | 80,696,291 | 100.0% | 100.0% | 4.70% | 77,191,370 | 100.0% | 100.0% | 6.07% | 73,332,606 | 100.0% | 100.0% | 0.90% | 12.05% | 12.57% | 3.43% | 2.77% |
| POLICY TARGET BENCHMARK | | | | -0.72% | | | | 5.04% | | | | 1.19% | 5.52% | 9.13% | 3.38% | -0.10% |

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) This benchmark was changed to the MSCI EAFE (unhedged) as of December 1, 2004.

(2) Previously this benchmark was titled Salomon Brothers Non-US Gov't Bond Index.